There’s no better place to celebrate a historic event than in one of the most historic places in the United States - Philadelphia. Although no declarations were signed on October 21, 2014, Watco’s Philadelphia Energy Solutions (PES) Team did declare that they had gone injury-free since their start up one year ago. The team at the Philadelphia Terminal handles crude oil unit trains and has moved more than 700 trains through the facility. Not only has the crew faced many challenges moving this kind of volume, additionally, they have also had to work around construction of a second unloading manifold. This work has seen 24/7 activities with more than 250 contractors working near active rail movement.

The PES team stepped up to the challenge and saw the new manifold completed and placed into service on October 27, 2014. The team will now see and move more than 1,200 unit trains through the facility with the new operations coming on line. The PES teams will also provide start-up for a new operation for the Customer in mid-November. The new Butane Terminal is nearing completion and team members will provide daily switching of more than 100 butane cars.

To commemorate the event, team member Jim Clyde drafted a design for a new logo for the terminal. Terminal Manager Brian Spiller received several other ideas from the team and reviewed them with the Customer at the location. The logo was then fine-tuned and presented back to the manager for final approval.

"Both myself and our Customer representative felt that the logo picked really displayed the history of Philadelphia," said Spiller.

The Philadelphia Terminal with the skyline of the city in the background.
When people mention railroads, old steam engines chugging across lonesome prairies often comes to mind but at Greens Port Industrial Park (GPIP) in Houston, Texas, that vision is worlds away from what actually happens. Multiple train crews work 24 hours a day. 7 days a week at the bustling facility to ensure that all Customers are taken care of. Not only do the crews have regular manifest cars interchanging with the Port Terminal Rail Association (PTRA) Monday through Friday, they also interchange GPIP unit trains seven days a week.

Roidino “Dino” Trevino, GPIP trainmaster, said, “Our group works hard no matter how big or small the task is here in Texas. They have always continued to remember that we are here because of our Customers and work with them each day to ensure we provide them with the best service. The crude by rail terminal has brought our teams closer in that we have to work in groups in order to make the time lines and continue to keep safety our number one goal.”

On Oct. 20th the Customer Service team took a break for some team building exercises to celebrate the new structure of Watco’s Customer Service department. The new structure combines the Data Integrity and Customer Service Teams under the Customer Service title. The Customer Service Team has been divided into three separate teams.

As part of the reorganization the Customer Service department has separated into the separate teams to better serve internal and external Customers 24 hours a day. To create unity within the groups, each team selected a team color and received t-shirts in that color with a saying they selected on the back.

This structure will allow each team to focus on specific groups of railroads, allowing the teams to become experts and provide a superior level of Customer Service. Managers will also be on site around the clock from Monday am - Saturday am.

A new phone, fax, and e-mail system has been implemented to provide the teams with the information they need in the most efficient manner possible.

### Customer Service Team 2


**Phone:** 866-889-2826, Ext. 2 • **Fax:** 844-476-6726 • **E-mail:** CS2@watcocompanies.com

### Customer Service Team 3

Eastern Idaho Railroad, Great Northwest Railroad, Palouse River and Coulee City Railroad, Mission Mountain Railroad, Yellowstone Valley Railroad, Boise Valley Railroad, Klaw River Railroad, Pecos Valley Southern Railroad, Swan Ranch Railroad.

**Phone:** 866-889-2826, Ext. 3 • **Fax:** 844-476-6727 • **E-mail:** CS3@watcocompanies.com

### Grain Team

Grain Team covers all agricultural shipments.

**Phone:** 866-889-2826, Ext. 4

The Grain Team’s fax number and email is specific to the railroads listed above.

Members of the Customer Service Team work on a team building challenge in Pittsburg, Kansas.

**Watco U courses held in Idaho**

Watco U 101 Leadership and Management classes were held for the West Region in Burley, Idaho from Oct. 14-16. Team members who attended the courses were: front row (l-r) John Naing, Nickole Corr, Thomas Glover, Travis Chamberlain, Eli Nick and Jon Peter. Back row (l-r) are: Cris Hadlow, Keith Green, Jeff Deakins, Richard Carter and Steve Monson.
Fourty and Eight locomotive back in action

One of the best entries in the Pittsburg, Kansas, Homecoming Parade might have been the oldest as well. The Forty and Eight locomotive which was built back in 1950 made a reappearance in the parade after a long absence. The motor powered locomotive normally pulls a box car, which happened to be in the shop. The set was built by W.B. (Bus) Johnson, father of Kaye Lynne Webb and father-in-law of Watco founder, Dick Webb. The train was originally built for the Forty and Eight society which was founded by veterans from World War I. The society was called such after the French boxcar stenciled with a 40/8, denoting the car’s capacity to hold 40 men or eight horses.

The train had been used for many occasions since Johnson built it and Kaye Lynne remembers riding in it in parades as a teen. The train disappeared around the 1960’s and resurfaced when Watco CEO Rick Webb saw the engine sitting at an old gas station at the corner of 4th and Elm street in Pittsburg.

“I asked my dad if he knew anything about it and he told me that it was the train that my grandpa had built,” said Webb. “The guy who owned it said he had bought it from someone who was getting ready to sell it as scrap iron and he agreed to sell us the set.”

Dick and Kaye Lynne’s grandchildren rode in parades in the set with Watco Chairman Gary Lundy behind the wheel. In the 2014 parade a different Lundy drove the locomotive, Cameron (Bubba) Lundy, a former passenger, drove the locomotive which carried his daughter, and nephew and a few others while team members and their kids also walked along the sides of the locomotive and tossed candy along the parade route.

Bubba Lundy said, “Riding in the locomotive was something that we always had done as kids and always had a great time. Now that I have children of my own I wanted them to get to share some of the same experiences that I did as a kid and, just like when I was a kid, my daughter had a great time as well. We owe a lot of appreciation to the team at the Neodesha mechanical shop who dedicated their free time a couple of years ago to fix the locomotive up.”

Watco launching new time-keeping and payroll system

Time is a valuable commodity and Watco Team Members will be making use of a new system to measure their time. In the 4th quarter and early next year, Watco will be introducing a Kronos timekeeping and payroll system. This system will utilize electronic time clocks to capture team member work hours. Team members will clock in and out with their personnel number using a touch screen key pad. This will reduce the need for paper time sheets in many areas. It will also allow for more accuracy in the payroll process since all team member time punches are automatically uploaded into the payroll system. This will reduce keying and paperwork errors that lead to team members receiving incorrect paychecks.

Additionally, team members will be able to view their time sheets from the Kronos terminal to ensure the appropriate hours have been captured for the active pay period. Team members will also be able to request time off through the Kronos terminal and the request will automatically reach their supervisor’s payroll screen in the Kronos system. This allows team members to monitor their hours and save them from filling out forms for vacation requests.

“Ensuring our team members are paid correctly and on time is a key first step in expressing how much we value their contributions,” said Aaron Jensen, vice president of special projects. “Successfully rolling out this system will make sure we do a better job with this and gives our team members an opportunity to point out mistakes before they make it to their checks.”

Be on the lookout for clocks in your area.

Watco's Test Team

When Mick McGinniss and Neil Wandel boarded the plane from Perth to the US they had a special gift in tow. The two Australians brought along a cricket bat and ball to present to Watco CEO Rick Webb. McGinniss is a grower in Western Australia and Wandel is a grower and a director of CBH Group, who Watco has partnered with to deliver grain to the ports.

McGinniss explained the reasoning behind the gift because most Americans wouldn’t get the meaning of the wording on the bat. The inscription says, "To the Watco 'Test' Team. For customer service to Cooperative Bulk Handling rail and to appreciative West Australian grain growers. October 2014."

He added, “A ‘test’ team is one that is known for its ability to strategize and plan for the long haul. In Australia, a test cricket match often lasts up to five days. That’s where the Watco Team that serves the growers in WA is similar to the test cricket teams, they battle at their best all of the time and don’t let distractions stop them from achieving their goals over the long haul.”

McGinniss and Wandel visited Pittsburg during Customer Appreciation Days and guests and team members alike enjoyed meeting our guests from down under.
The months of September and October have been busy for the Wisconsin & Southern Railroad’s (WSOR) training team. As part of WSOR’s dedication to improving safety and providing continuing education to its team members, the team has been conducting hands-on training for freight car air brake and mechanical inspections. A variety of freight cars were carefully selected to include different car types with various brake equipment. They included a boxcar equipped with a plug door and a lever-type branch pipe cut out cock, a tank car with empty/load air equipment, and a selection of cars equipped with truck-mounted or standard body mount brake equipment.

With the assistance of WSOR Janesville Car Department, the cars were then prepared with safety defects such as: worn or missing brake shoes, missing brake shoe keys, missing pins or cotter keys, disconnected brake rods, excessive piston travel, and more. Even a simulated Improvised Explosive Device (IED) was hidden somewhere on the consist. Lastly, a locomotive was coupled to the cars to facilitate a full air brake test.

Then one by one, students, conductors, and team members re-certifying as conductors were instructed to perform a full Class I air brake and mechanical train inspection on the consist. Instructors walked alongside the conductor to observe his ‘discoveries’ of defects, offering instruction and advice as the work was performed.

This hands-on exercise provided a great opportunity to further the practical knowledge of our train service team members and allow them to ask questions and receive immediate answers “on the scene.” It heightened and solidified the real-world application of rules and information learned from preceding classroom sessions. The end goal is to maximize rules compliance and reinforce a safe work environment for all.

Watco Locomotive Team helps excursion train get back on track

Hurricane Ike hit the Texas coast and Galveston Island in September of 2008 and left behind a wake of destruction. One of the victims of the massive storm was the Galveston Railroad Museum (GRM) who sustained damages estimated over $8 million dollars. Sadly, two of their historical locomotives but several defects were noted as they made their way to the cars to facilitate a full air brake test. The curators located two other F7A locomotives but several defects were noted as they made their way to the cars to facilitate a full air brake test. The curators located two other F7A locomotives but several defects were noted as they made their way to the cars to facilitate a full air brake test.

The Galveston Railroad Museum excursion train is back on track thanks to repairs made by the Locomotive Leasing Team.

With the assistance of WSOR Janesville Car Department, the cars were then prepared with safety defects such as: worn or missing brake shoes, missing brake shoe keys, missing pins or cotter keys, disconnected brake rods, excessive piston travel, and more. Even a simulated Improvised Explosive Device (IED) was hidden somewhere on the consist. Lastly, a locomotive was coupled to the cars to facilitate a full air brake test. Then one by one, students, conductors, and team members re-certifying as conductors were instructed to perform a full Class I air brake and mechanical train inspection on the consist. Instructors walked alongside the conductor to observe his ‘discoveries’ of defects, offering instruction and advice as the work was performed.

This hands-on exercise provided a great opportunity to further the practical knowledge of our train service team members and allow them to ask questions and receive immediate answers “on the scene.” It heightened and solidified the real-world application of rules and information learned from preceding classroom sessions. The end goal is to maximize rules compliance and reinforce a safe work environment for all.

Swan Ranch Railroad injury-free since start-up

A town rich with railroad history also has a railroad that’s very proud of setting a significant safety milestone. Located on a plateau of southeastern Wyoming, the Swan Ranch Railroad (SRRR) celebrated 1,000 days being incident & injury-free since the railroad’s start-up. Lead by Trainmaster Al Rojas, “The Ranch” stands tall in the railroad industry with their safety and teamwork culture. What’s the secret to their success?

“Communication is paramount to everything,” said Rojas. “We hold job briefings for everything, there’s no luck when it comes to safety.”

Rojas further explained, “Everyone on the team is very engaged and involved. This is not a one man operation. I have my radio turned on all the time not to spy on the team but to better assist them with their daily operations. Safety is not a given, we strive for it every day. Not just at work, but at home too.”

“After we had reached the milestone, I shared it with our Customers. They were so excited that we shared the milestone because they didn’t know. It was great to get Customer feedback!”

Joe Bomgaars, who has been on the Swan Ranch team as an Engineer explained it as “Safety doesn’t happen by accident; it doesn’t matter how fast or how many cars you move. It’s important for everyone to go home in the same condition they arrived to work. We work closely with each other and we have to rely on each other. We build relationships with each team member for the long term. Our safety record is important to us and it’s important to Customers and potential Customers.”
Kudos received by KO Track Team

Usually when a general manager receives an email from an FRA inspector there is some anxiety about what the inspector found. Kansas & Oklahoma (KO) General Manager Jimmy Patterson was extremely pleased with the information that was in the email sent to him in late September.

The FRA inspector had been on the KO inspecting various locations of track for proper maintenance, proper inspections, and correct repair procedures. What he found compelled him to write an email to Patterson stating how pleased his was with the track inspection and the quality of the repair work that had been completed and was in progress.

Patterson said, "I’m extremely proud of the work the KO track team is doing. This recognition from an FRA inspector tells me the track team is taking their job duties and the safety of this railroad serious. I couldn’t be happier."

The inspector ended his email with this final comment, “I have to say this team of track folks are doing a great job.”

Marriages
Charles (Blake) and Lindsey Gibson
Charles (Blake) and Lindsey Gibson were united in marriage in the countryside near Lincoln, Missouri, on June 14, 2014. Blake is a conductor for the Kaw River Railroad in Kansas City, Kansas.

Chipman, Shawn Coates, Armando DeLeon, Michael Harlan, Kevin Jeter, Lisa Palomo, David Rotz
8 Years: Robert Hampton, Josh Jewell, Afton Lundy, Marvin Miner, Earl Sims, Kenneth Socie, Ron Spencer
9 Years: Gregg Bergholz, Dale Bright, Robert Bruner, Jeffrey Darnell, Betsy Foster, Robert Godfrey, Larry Lenington, Bobbie Moore, Dave Ruggles
10 Years: Rick Baden, Joshua Braden, Zachary Henwood, Michael Marino
11 Years: Robert Powell, Eric Slimp, James Wolf
12 Years: Francis Mangiacarne
13 Years: Jimmy Johnson, Randall Martineau, Gerald Wiser
14 Years: Larry Cymbola
15 Years: Steven Ayala, John Grassinger, Joseph Haase, Kelley Scarrow
16 Years: Fernando Avila, Robert De Luna, Timothy Hoffman
17 Years: Edward Cullinan, Lloyd Huston, Don Slaughter, Carol Toris
18 Years: Lloyd Henderson, Paul Loper, Brian McCoy
19 Years: Chad Byles
21 Years: Carlos Barnes, John Brown, Jack Lisle, John Ostrander, Terry Showalter
22 Years: Ronald Chadwick, Charlie Everson, Thomas Murray
23 Years: James Belsha, Bennie Hill
25 Years: Floyd Swoone
26 Years: Charlie Estes, Howard Green, Kenneth Jordan
27 Years: David Louk
29 Years: David Bidleman, Vic McClure, William Norris
31 Years: Rolan Herman
33 Years: Roy Thomas
34 Years: Louis Sage
35 Years: Gilbert Spencer
36 Years: James Ellis
39 Years: Herbert Liddell
When a team as awesome as the 1989 College World Series champs gets together to reflect on their glory days most outsiders would have a hard time fitting in. However, at the 25th reunion held in late October one surprise guest was a huge - 262,000 pounds huge - hit. Pat Cedeno, Watco’s Vice President WTS Marketing - Central and West Regions, played on that championship team and thought it would be fun to have the team’s picture taken on the Wooo Shock locomotive. The Wooo Shock is one of the few team themed locomotives in the country. Last spring the Kansas & Oklahoma Railroad contacted the school about using the logo on a locomotive and the community has responded well to the result.

The 1989 Wichita Shocker’s baseball team won the College World Series and players and coaches gathered 25 years later to reminisce and catch up with each other.

“We haven’t seen some of the team for twenty years so it was great getting together,” said Cedeno. “A few of the players have gone on to the pros as players then managers and it was really interesting with the Royals being in the World Series at the time to hear what their thoughts were on the games. I was able to see things from a different perspective.”

A press conference for the media was held on October 26th, at the Kansas Sports Hall of Fame (KSHF). Players and coaches signed memorabilia for a variety of organizations and items to be displayed at the Hall of Fame. Following introductions of players and coaches, a viewing of the 1989 National Championship game was held.

### Veterans are key to keeping Watco growing

by Greg Garza
GBW Regional Director of Quality for Mechanical Services

Watco Companies is always proud to recognize our military veterans and there are many across the country we are proud to call team members. Several have faithfully served our country during wars, international conflicts, and even disasters.

Tina Sanchez is one such veteran. She originally hails from Chicago, Illinois and joined the United States Navy in 1993. She was trained and served for four years as a Chaplain’s Assistant and was stationed in the continental U.S. during the Persian Gulf War. Tina eventually achieved the rank of Petty Officer 3rd Class (E4) and earned several medals and ribbons. She elected to be honorably discharged after successfully completing her first tour in 1997 in order to use her well-earned educational benefits to complete her bachelor’s degree and pursue a civilian career.

After departing the Navy, Tina spent the past seven years working for GE where she started out in the Customer Service department, and then was promoted up through the company to Maintenance Manager, Field Maintenance Manager, Field Auditor and later in the Compliance and Regulatory department.

Tina was recently hired as the Plant Manager for the GBW Services Houston railcar repair facility. In this role, she is responsible for the entire plant including the facility, its assets, equipment, people and all its railcar repair operations.

She is married with two children still at home and two grown step-children. In her spare time, Tina enjoys reading, working occasionally in the family-owned restaurant and visiting Texas craft breweries.

Tina reflects great credit on both Watco and GBW Services.